

MASTER RESOLUTION

OF

WEST VALLEY CITY, UTAH, as Issuer

Dated as of June 1, 2015

Authorizing the issuance and sale of  
\$100,500  
Assessment Bonds  
(Hunt 1920 LLC C-PACE 2015-1),  
Series 2015 (Federally Taxable)

## Table of Contents

	Page
ARTICLE I DEFINITIONS; AUTHORITY .....	3
Section 1.1    Definitions.....	3
Section 1.2    Master Resolution to Constitute Contract.....	6
Section 1.3    Construction.....	7
ARTICLE II AUTHORIZATION, TERMS, AND ISSUANCE OF SERIES 2015 BONDS .....	8
Section 2.1    Principal Amount, Designation, and Series .....	8
Section 2.2    Date, Maturities and Interest.....	8
Section 2.3    Nature of Obligation .....	8
Section 2.4    Payment of Principal and Interest .....	9
Section 2.5    Redemption.....	9
Section 2.6    Delivery of Series 2015 Bonds .....	12
Section 2.7    Book-Entry System.....	13
Section 2.8    Application of Moneys upon Issuance of Series 2015 Bonds .....	15
Section 2.9    Further Authority .....	15
Section 2.10   Issuance of Additional Assessment Bonds .....	15
ARTICLE III EXECUTION, TRANSFER, AND EXCHANGE OF BONDS; BOND REGISTRAR.....	18
Section 3.1    Execution of Bonds.....	18
Section 3.2    Transfer of Bonds .....	18
Section 3.3    Exchange of Bonds .....	19
Section 3.4    Bond Registration Books .....	19
Section 3.5    List of Bondholders.....	19
Section 3.6    Duties of Bond Registrar .....	20
ARTICLE IV CREATION OF FUNDS AND ACCOUNTS.....	21
Section 4.1    Creation of Assessment Fund .....	21
Section 4.2    Creation of Construction Fund.....	21
Section 4.3    Creation of Bond Fund.....	21
Section 4.4    Creation of Reserve Fund .....	21
Section 4.5    Creation of Cost of Issuance Fund.....	21
Section 4.6    Reserved.....	21
Section 4.7    Additional Funds and Accounts.....	21

ARTICLE V USE OF FUNDS .....	22
Section 5.1    Use of Assessment Fund .....	22
Section 5.2    Use of Bond Fund .....	22
Section 5.3    Construction Fund .....	23
Section 5.4    Use of Reserve Fund .....	24
Section 5.5    Cost of Issuance Fund .....	25
Section 5.6    Reserved .....	25
Section 5.7    Investment of Funds .....	25
Section 5.8    Method of Valuation and Frequency of Valuation .....	25
ARTICLE VI COVENANTS AND UNDERTAKINGS .....	26
Section 6.1    Covenants of Issuer .....	26
Section 6.2    Ratification of Prior Proceedings .....	26
Section 6.3    Levy and Collection of Assessments .....	26
Section 6.4    Lien of Assessment .....	26
Section 6.5    Default in Payment of Assessments .....	26
Section 6.6    Limited Obligation of Issuer .....	27
Section 6.7    Bonds in Registered Form .....	27
Section 6.8    Reserved .....	27
Section 6.9    No Additional Security Interest .....	27
ARTICLE VII EVENTS OF DEFAULT; REMEDIES .....	28
Section 7.1    Events of Default .....	28
Section 7.2    Remedies; Rights of Bondholders .....	29
Section 7.3    Right of Bondholder Representative to Direct Proceedings .....	29
Section 7.4    Defaulted Bonds .....	29
Section 7.5    Application of Moneys .....	29
Section 7.6    Rights and Remedies of Bondholders .....	30
Section 7.7    Termination of Proceedings .....	31
Section 7.8    Notice of Registered Owners if Event of Default Occurs .....	31
ARTICLE VIII SUPPLEMENTAL RESOLUTIONS .....	32
Section 8.1    Supplemental Resolutions and Ordinances Not Requiring Consent of Bondholders .....	32
Section 8.2    Supplemental Resolutions and Ordinances Requiring Consent of Bondholders; Waivers and Consents by Bondholders .....	32
ARTICLE IX DISCHARGE OF MASTER RESOLUTION .....	34
ARTICLE X MISCELLANEOUS .....	36
Section 10.1    Consents, Etc., of Registered Owners .....	36
Section 10.2    Limitation of Rights .....	36

Section 10.3	Severability .....	36
Section 10.4	Maintenance of Proceedings .....	36
Section 10.5	City Recorder as Paying Agent and Registrar .....	37
Section 10.6	Counterparts .....	37
Section 10.7	Applicable Law .....	37
Section 10.8	Immunity of Officers and Directors.....	37
Section 10.9	Holidays .....	37
Section 10.10	Effective Date .....	37
Section 10.11	Compliance with Act .....	37
Section 10.12	Notices to and Effect of Actions by Bondholder Representative.....	37
<u>EXHIBIT A</u> FORM OF BOND .....		1
<u>EXHIBIT B</u> COST OF ISSUANCE REQUISITION .....		B-1
<u>EXHIBIT C</u> FORM OF REQUISITION .....		C-1

## MASTER RESOLUTION

WHEREAS, on June 23, 2015, the City Council of West Valley City, Utah (the “City Council”), adopted a resolution designating an assessment area known as the West Valley City, Utah Voluntary Assessment Area (Hunt 1920 LLC, C-PACE) 2015-1 (the “Assessment Area”) for the purpose of financing the cost of constructing and installing certain energy efficiency upgrades and/or renewable energy systems (the “Improvements”) to be owned by Hunt 1920 LLC, a Utah limited liability company (the “Borrower”) on real property owned by the Borrower and located at 1920 West Alexander Street in West Valley City, Utah (the “Property”); and

WHEREAS on June 23, 2015, the City Council adopted an Assessment Ordinance for the Assessment Area confirming the assessment list for the Improvements and levying an assessment against the Property benefited by the Improvements (the “Assessment Ordinance”); and

WHEREAS, the Assessment Ordinance was published in accordance with the requirements of the laws of the State of Utah, and the City Treasurer (the “Treasurer”) of the Issuer has notified the Borrower of the assessments levied pursuant to the Assessment Ordinance; and

WHEREAS, the Borrower has voluntarily consented to the assessments to be levied pursuant to the Assessment Ordinance; and

WHEREAS, the Assessment Area Act, Title 11, Chapter 42, Utah Code Annotated 1953, as amended (the “Assessment Act”), provides that a local entity may issue assessment bonds to finance improvements within an assessment area; and

WHEREAS, the City Council now desires to finance the costs of the Improvements by issuing its West Valley City, Utah Assessment Bonds (Hunt 1920 LLC, C-PACE 2015-1), Series 2015 (Federally Taxable) in the total principal amount of \$100,500 (the “Series 2015 Bonds”); and

WHEREAS, Celtic Bank (the “Initial Purchaser”) has offered to purchase the Series 2015 Bonds in accordance with a Bond Purchase Agreement (the “Purchase Agreement”) in the form presented to the City Council at the meeting at which this Master Resolution was adopted; and

WHEREAS, the City Council as determined that it is in the best interest of the Issuer that the purchase of the Series 2015 Bonds by the Initial Purchaser be accepted and the Mayor and City Recorder of the Issuer be authorized to execute and deliver the Purchase Agreement on behalf of the Issuer; and

WHEREAS, the Series 2015 Bonds shall be payable solely from (a) proceeds from the sale of the Assessment Bonds, (b) cash received by the Issuer from the payment of Improvements, (c) the levy of assessments against the properties benefited by the Improvements, and (d) moneys received by the Borrower in fulfillment of the Borrower’s

obligations under the Acknowledgement, Waiver and Consent Agreement dated as of June 23, 2015 (the “Waiver and Consent Agreement”) between the Issuer and the Borrower, and the obligations of the Borrower and shall not constitute or give rise to a general obligation or liability of the Issuer, or any other political subdivision of the State of Utah, or constitute a charge against the general credit or taxing powers of the Issuer; and

WHEREAS, the City Council hereby determines that it is reasonable, necessary, and prudent at this time to issue the Series 2015 Bonds as provided herein.

NOW, THEREFORE, Be it resolved by the City Council of West Valley City, Utah (the “Issuer”) as follows:

## ARTICLE I

### DEFINITIONS; AUTHORITY

Section 1.1 Definitions. As used in this Master Resolution, unless the context shall otherwise require, the following terms shall have the following meanings:

“Act” means the Assessment Area Act, Title 11 Chapter 42, Utah Code Annotated 1953, as amended.

“Additional Assessment Bonds” means all assessment bonds or other indebtedness issued pursuant to the Act by the Issuer subsequent to the issuance of the Series 2015 Bonds herein authorized and payable from the Assessments.

“Amendment to Assessment Ordinance” means any amendment to the Assessment Ordinance adopted by the Issuer.

“Assessment Area” means the West Valley City, Utah Assessment Area.

“Assessment Fund” means the West Valley City, Utah Assessment Area Assessment Fund created in Section 4.1 hereof to be held and administered by the Issuer.

“Assessment Officer” means each Person appointed by the Issuer as the Assessment Officer with respect to the Bonds. The initial Assessment Officer with respect to the Series 2015 Bonds is the Initial Purchaser or its successors or assigns.

“Assessment Ordinance” means the assessment ordinance adopted by the Issuer on June 23, 2015, levying assessments against benefited properties within the Assessment Area.

“Assessments” means those assessments levied under the Assessment Ordinance against certain properties within the Assessment Area benefited by the Improvements.

“Authorized Denominations” means \$100,000 or any amount in excess thereof.

“Authorized Representative” means, in the case of the Issuer, any officer of the Issuer or any other person at the time designated to act on behalf of the Issuer or, in the case of the Borrower, any officer of the Borrower or any other person at the time designated to act on behalf of the Borrower.

“Bond Fund” means the West Valley City, Utah Assessment Area Bond Fund created in Section 4.3 hereof to be held by the Issuer and administered pursuant to Section 5.2 hereof.

“Bond Fund Year” means the 12-month period beginning July 1 of each year and ending the next succeeding June 30, except that the first Bond Fund Year shall begin on the date of delivery of the Series 2015 Bonds and shall end on the next succeeding June 30.

“Bondholder,” “Bondowner,” “Registered Owner,” or “Owner” means the registered owner of any Bonds herein authorized.

“Bondowner Representative” means (i) if and so long as one Bondholder holds a majority in principal amount of all Outstanding Bonds, such Bondholder or a person appointed to be the Bondowner’s Representative by such Bondholder and (ii) if and so long as no one Bondholder owns a majority in principal amount of all Outstanding Bonds, the Bondholder who holds the greatest principal amount of all such Outstanding Bonds or a person appointed to be Bondowner’s Representative by such Bondholder who holds the greatest principal amount of all such Outstanding Bonds. The initial Bondowner Representative is Celtic Bank.

“Bond Registrar” means the City Recorder (or other party designated as Registrar by Supplemental Master Resolution) appointed as the initial registrar for the Series 2015 Bonds, and any additional or successor registrar appointed pursuant hereto.

“Bonds” means all assessment bonds or other indebtedness issued pursuant to this Master Resolution, including the Series 2015 Bonds and any Additional Assessment Bonds.

“Borrower” means Hunt 1920 LLC, a Utah corporation, or any surviving, resulting or transferee corporation.

“Business Day” means a day except Saturday or Sunday on which banking business is transacted, but not including any day on which banks are authorized to be closed in the city in which the Issuer is located.

“Capitalized Interest Account” means the capitalized interest account established within the Reserve Fund pursuant to Section 4.4 herein.

“City Council” means the City Council of West Valley City, Utah.

“Construction Fund” means the West Valley City, Utah Assessment Area Construction Fund created in Section 4.2 hereof to be held and administered by the Issuer pursuant to Section 5.3 hereof.

“Cost of Issuance Fund” means the West Valley City, Utah Assessment Area Cost of Issuance Fund created in Section 4.5 hereof to be held by the Issuer and administered pursuant to Section 5.5 hereof.

“Debt Service Reserve Account” means the debt service reserve account established within the Reserve Fund pursuant to Section 4.4 herein.

“Debt Service Reserve Requirement” means, with respect to the Series 2015 Bonds, an amount equal to \$0, and means, as to a series of Additional Assessment Bonds, the Debt Service Reserve Requirement related to such series of Additional Assessment Bonds as set forth in a Supplemental Master Resolution. The Debt Service Reserve



Requirement shall be adjusted as Assessments are prepaid as described in Section 5.4 herein.

“Delinquent Portion” means that portion of the Bonds on which the principal and/or interest payments are delinquent.

“Event of Default” means with respect to any default or Event of Default hereunder, any occurrence or event specified in and defined by Section 7.1 hereof.

“Government Obligations” means solely one or more of the following:

(a) State and Local Government Series issued by the United States Treasury (“SLGS”);

(b) United States Treasury bills, Bonds and bonds, as traded on the open market;

(c) Zero Coupon United States Treasury Bonds; and

(d) Any other direct obligations of or obligations fully and unconditionally guaranteed by, the United States of America (including, without limitation, obligations commonly referred to as “REFCORP strips”).

“Improvements” means the acquisition, construction, and installation of energy efficiency upgrades and/or renewable energy systems and related improvements, and miscellaneous work necessary to complete said Improvements.

“Initial Purchaser” means Celtic Bank and its successors and assigns.

“Interest Payment Date” means (a) with respect to the Series 2015 Bonds, each January 1 and July 1 beginning January 1, 2016, and (b) with respect to any other series of Bonds, the date or dates established for the payment of interest on such series of Bonds in the Supplemental Master Resolution authorizing the issuance of such series of Bonds.

“Issuer” means West Valley City, Utah, and its successors.

“Master Resolution” means this Master Resolution as from time to time amended or supplemented by Supplemental Master Resolution in accordance with the terms of this Master Resolution.

“Mayor” means the Mayor or Mayor pro tem of the City.

“Original Issue Date” means, with respect to the Series 2015 Bonds, the initial delivery date of the Series 2015 Bonds.

“Outstanding” or “Bonds Outstanding” means at any date all Bonds which have not been canceled which have been or are being authenticated and delivered by the Bond Registrar under this Master Resolution, except:

(a) Any Bond or portion thereof which at the time has been paid or deemed paid pursuant to Article IX of this Master Resolution; and

(b) Any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered hereunder, unless proof satisfactory to the Bond Registrar is presented that such Bond is held by a bona fide holder in due course.

“Paying Agent” means each Person appointed by the Issuer as Paying Agent with respect to the Bonds. The initial Paying Agent is the City Recorder or his/her successors or assigns.

“Person” means natural persons, firms, partnerships, associations, corporations, trusts, public bodies, and other entities.

“Purchase Agreement” means the Bond Purchase Agreement dated June 23, 2015, wherein the Initial Purchaser has offered to purchase the Series 2015 Bonds from the Issuer and the Issuer has agreed to sell the Series 2015 Bonds to the Initial Purchaser upon certain terms contained therein.

“Qualified Investments” means any investments authorized under the Utah State Money Management Act, Title 51 Chapter 7, Utah Code Annotated 1953, as amended and includes Government Obligations.

“Redemption Account” means the Redemption Account established within the Bond Fund pursuant to Section 4.3 herein.

“Register” means the record of ownership of the Bonds maintained by the Bond Registrar.

“Regular Record Date” means the fifteenth day immediately preceding each Interest Payment Date.

“Reserve Fund” means the West Valley City, Utah Assessment Area Reserve Fund created in Section 4.4 hereof to be held by the Issuer and administered pursuant to Section 5.4 hereof.

“Series 2015 Bonds” means the West Valley City, Utah Assessment Bonds (Hunt 1920 LLC C-PACE 2015-1), Series 2015 (Federally Taxable) authorized for issuance herein.

“State” means the State of Utah.

“Supplemental Resolution” means any supplemental resolution entered into pursuant to and in compliance with the provisions of Article VIII hereof.

Section 1.2 Master Resolution to Constitute Contract. In consideration of the purchase and acceptance from time to time of any and all of the Bonds authorized to be

issued hereunder by the Registered Owners thereof, this Master Resolution shall be deemed to be and shall constitute a contract between the Issuer and the Owners from time to time of the Bonds; and the pledge made in this Master Resolution and the covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection, and security of the Owners of the Bonds all of which, regardless of the time or times of their authentication and delivery or maturity, shall be of equal rank without preference, priority, or distinction of any of the Bonds over any other thereof, except as expressly provided in or permitted by this Master Resolution.

Section 1.3 Construction. This Master Resolution, except where the context by clear implication herein otherwise requires, shall be construed as follows:

(a) The terms “hereby,” “hereof,” “herein,” “hereto,” “hereunder,” and any similar terms used in this Master Resolution shall refer to this Master Resolution in its entirety unless the context clearly indicates otherwise.

(b) Words in the singular number include the plural, and words in the plural include the singular.

(c) Words in the masculine gender include the feminine and the neuter, and when the sense so indicates, words of the neuter gender refer to any gender.

(d) Articles, sections, subsections, paragraphs, and subparagraphs mentioned by number, letter, or otherwise, correspond to the respective articles, sections, subsections, paragraphs, and subparagraphs hereof so numbered or otherwise so designated.

(e) The titles or lead lines applied to articles, sections, and subsections herein are inserted only as a matter of convenience and ease in reference and in no way define, limit or describe the scope or intent of any provisions of this Master Resolution.

## ARTICLE II

### AUTHORIZATION, TERMS, AND ISSUANCE OF SERIES 2015 BONDS

Section 2.1 Principal Amount, Designation, and Series. The Series 2015 Bonds are hereby authorized for issuance under the Master Resolution for the purpose of providing funds to (a) finance the cost of the Improvements, (b) fund the Debt Service Reserve Account and the Capitalized Interest Account, and (c) pay the costs of issuance of the Series 2015 Bonds. The Series 2015 Bonds shall be limited to \$100,500 in aggregate principal amount, shall be issued in fully registered form, in Authorized Denominations, shall be in substantially the form and contain substantially the terms contained in Exhibit A attached hereto, and shall bear interest at the rates and be payable as to principal or redemption price as specified herein. The Series 2015 Bonds shall be designated as, and shall be distinguished from all other Bonds of the Issuer by the title, “West Valley City, Utah Assessment Bonds (Hunt 1920 LLC C-PACE 2015-1), Series 2015 (Federally Taxable).”

Section 2.2 Date, Maturities and Interest. The Series 2015 Bonds shall be dated as of their Original Issue Date, and shall mature on the dates in the years and in the amounts and shall bear interest from the Interest Payment Date next preceding their date of authentication thereof unless authenticated as of an Interest Payment Date, in which event such Bonds shall bear interest from such date, or unless such Series 2015 Bonds are authenticated prior to the first Interest Payment Date, in which event such Series 2015 Bonds shall bear interest from their dated date or unless, as shown by the records of the Bond Registrar, interest on the Series 2015 Bonds shall be in default, in which event such Bonds shall bear interest from the date to which interest has been paid in full, or unless no interest shall have been paid on such Bonds, in which event such Series 2015 Bonds shall bear interest from their dated date, payable on each Interest Payment Date at the rates per annum as set forth below:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
July 1, 2035	\$100,500	6.5%

Interest shall be calculated on the basis of a year of 360 days comprised of twelve 30-day months.

Section 2.3 Nature of Obligation. The Issuer hereby pledges all Assessments levied pursuant to the Assessment Ordinance to the payment of the Bonds.

The Bonds, together with interest thereon, shall be special limited obligations of the Issuer payable solely from a first lien pledge of the Assessments levied and collected under the Assessment Ordinance (except to the extent paid out of moneys attributable to the Bond proceeds, moneys collected by the Issuer from the foreclosure of assessed properties or other funds created hereunder or the income from the temporary investment thereof).

No provision of this Master Resolution, the Purchase Agreement, the Bonds, or any other instrument, shall be construed as creating a general obligation of the Issuer, or creating a general obligation of the State of Utah, the Issuer, or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the Issuer, or its taxing powers.

Section 2.4 Payment of Principal and Interest. Both the principal of and the interest on the Bonds shall be payable in lawful money of the United States of America. Payment of the interest on any Bond shall be made to the person appearing on the Register maintained by the Bond Registrar as the Registered Owner thereof by check or draft mailed on the Interest Payment Date to the Registered Owner at his address as it appears on such Register or to owners of \$1,000,000 or more in aggregate principal amount of the Bonds (or owners of 100% of any Series then Outstanding) by wire transfer to a bank account designated by the Registered Owner in written instructions furnished to the Bond Registrar no later than the Regular Record Date for such payment. Unless otherwise specified by Supplemental Resolution, the interest on the Bonds so payable and punctually paid and duly provided for on any Interest Payment Date will be paid to the person who is the Registered Owner thereof at the close of business on the Regular Record Date for such interest immediately preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Registered Owner of any Bond on such Regular Record Date, and may be paid to the person who is the Registered Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Bond Registrar, notice thereof to be given to such Registered Owner not less than ten (10) days prior to such Special Record Date. The Principal of and premium, if any, on the Bonds are payable upon presentation and surrender thereof at the office of the Paying Agent, except as otherwise provided by Supplemental Resolution. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(a) Each series of Bonds may contain or have endorsed thereon such provisions, specifications, and descriptive words not inconsistent with the provisions hereof as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board or otherwise, as may be specified in the Supplemental Resolution authorizing such series of Bonds.

Section 2.5 Redemption.

(a) *Optional Redemption.* The Series 2015 Bonds shall be subject to redemption at the option of the Issuer (which option shall be exercised upon written direction of an authorized representative of the Borrower), in whole or in part, on any Business Day at a redemption price equal to one hundred percent (100%) of the principal amount of each Bond to be redeemed plus accrued interest to the date of redemption.

(b) *Extraordinary Mandatory Redemption.* The Series 2015 Bonds are subject to extraordinary mandatory redemption, in whole or in part, on any

Business Day that the Issuer selects following the Issuer's receipt of Assessments collected from the foreclosure sale of delinquent property at a redemption price equal to one hundred percent (100%) of the principal amount of each Bond to be redeemed plus accrued interest to the date of redemption in the amount of Assessments (rounded down to the nearest \$5,000 increment) as the Issuer collects from the foreclosure sale of delinquent property. The particular Series 2015 Bonds or portion thereof to be redeemed shall be selected prior to the redemption date by the Bond Registrar first from the Delinquent Portion of the Outstanding Series 2015 Bonds, and second from all remaining Outstanding Series 2015 Bonds.

(c) *Mandatory Prepayment Redemption.* The Series 2015 Bonds are not subject to mandatory prepayment redemption, in whole or in part, on any Interest Payment Date from prepayments of Assessments received by the Issuer with respect to the Assessment Area and in the amount of not less than \$5,000 at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2015 Bonds to be redeemed, plus accrued interest to the date of redemption. The particular Bonds or portion thereof to be redeemed shall be selected prior to the redemption date by the Issuer.

(d) *Mandatory Sinking Fund Redemption.* The Series 2015 Bonds are subject to mandatory sinking fund redemption at a redemption price equal to one hundred percent (100%) of the principal amount of Series 2015 Bonds to be redeemed plus accrued interest to the redemption date, as follows:

<u>Mandatory Sinking Fund Redemption Date</u>	<u>Mandatory Sinking Fund Installment Amount</u>
July 1, 2016	\$1,276.81
January 1, 2017	1,359.80
July 1, 2017	1,403.99
January 1, 2018	1,449.62
July 1, 2018	1,496.74
January 1, 2019	1,545.38
July 1, 2019	1,595.60
January 1, 2020	1,647.46
July 1, 2020	1,701.00
January 1, 2021	1,756.29
July 1, 2021	1,813.37
January 1, 2022	1,872.30
July 1, 2022	1,933.15
January 1, 2023	1,995.98
July 1, 2023	2,060.85
January 1, 2024	2,127.82
July 1, 2024	2,196.98
January 1, 2025	2,268.38

<u>Mandatory Sinking Fund Redemption Date</u>	<u>Mandatory Sinking Fund Installment Amount</u>
July 1, 2025	2,342.10
January 1, 2026	2,418.22
July 1, 2026	2,496.81
January 1, 2027	2,577.96
July 1, 2027	2,661.74
January 1, 2028	2,748.25
July 1, 2028	2,837.57
January 1, 2029	2,929.79
July 1, 2029	3,025.01
January 1, 2030	3,123.32
July 1, 2030	3,224.83
January 1, 2031	3,329.63
July 1, 2031	3,437.85
January 1, 2032	3,549.58
July 1, 2032	3,664.94
January 1, 2033	3,784.05
July 1, 2033	3,907.03
January 1, 2034	4,034.01
July 1, 2034	4,165.11
January 1, 2035	4,300.48
July 1, 2035*	4,440.24

---

\* Final maturity

Upon redemption of any Series 2015 Bonds (other than by application of mandatory sinking fund redemption), an amount equal to the principal amount so redeemed shall be credited in increments of not less than \$5,000, toward the mandatory sinking fund redemption amounts for the Series 2015 Bonds at the discretion of the Issuer.

If fewer than all of the Series 2015 Bonds are to be redeemed, the particular Series 2015 Bonds or portion thereof to be redeemed shall be selected prior to the redemption date by the Bond Registrar, by such method as the Bond Registrar shall deem fair and appropriate and which may provide for the selection for redemption of portions of the principal of Bonds in \$5,000 increments.

To the extent that a mandatory sinking fund redemption results in the reduction in aggregate principal amount of any of the Series 2015 Bonds Outstanding, a Bondholder in its discretion: (a) may request the Issuer to issue and authenticate a new Series 2015 Bond certificate, or (b) shall make an appropriate notation on its Series 2015 Bond certificate indicating the date and amounts of such redemption in principal, except in the case of final maturity, in which case the certificate must be presented to the Paying Agent

prior to payment. Should the Bondholder elect not to submit the Series 2015 Bonds for redemption, the Paying Agent's records shall govern in the case of discrepancy with the noted schedule on the Series 2015 Bond, absent manifest error.

Notice of redemption shall be given by the Paying Agent by registered or certified mail, not less than twenty (20) nor more than forty-five (45) days prior to the redemption date, to the Holder, as of the Record Date, of each Bond which is subject to redemption, at the address of such Holder as it appears on the registration books of the Issuer kept by the Bond Registrar, or at such other address as is furnished to the Bond Registrar in writing by such Holder on or prior to the Record Date. Each notice of redemption shall state the Record Date, the redemption date, the place of redemption, the principal amount and, if less than all, the distinctive numbers of the Bonds or portions of Bonds to be redeemed, and shall also state that the interest on the Bonds in such notice designated for redemption shall cease to accrue from and after such redemption date and that on said date there will become due and payable on each of said Bonds the principal of, interest accrued thereon to the redemption date, and premium, if any. Any notice mailed as provided in this paragraph shall be conclusively presumed to have been duly given, whether or not the Bondholder receives such notice. Failure to give such notice or any defect therein with respect to any Bond shall not affect the validity of the proceedings for redemption with respect to any other Bond.

If at the time of mailing of any notice of optional redemption there shall not be on deposit with the Paying Agent moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that such redemption is subject to the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the redemption date and that such notice shall be of no effect unless such moneys are so deposited.

Section 2.6 Delivery of Series 2015 Bonds. The Series 2015 Bonds shall be delivered to the Initial Purchaser at such time and place as provided in the Purchase Agreement.

Prior to the authentication and delivery by the Bond Registrar of the Series 2015 Bonds, there shall have been filed with the Issuer and the Initial Purchaser:

(a) A copy, duly certified by the City Recorder, of the resolution designating the Assessment Area, the Assessment Ordinance, and this Master Resolution (to the extent not theretofore so filed).

(b) A copy, certified by the City Recorder, of the proceedings of the City Council approving the execution and delivery of the Master Resolution and the Series 2015 Bonds, together with a certificate, dated as of the date of authentication, of the City Recorder that such proceedings are still in force and effect without amendments except as shown in such proceedings.

(c) A request and authorization of the Issuer to the Bond Registrar to authenticate the Series 2015 Bonds in the aggregate principal amount therein



specified and deliver them to the Initial Purchaser upon payment to the Issuer, of the sum specified in the Purchase Agreement.

(d) An opinion of bond counsel dated the date of authentication of the Series 2015 Bonds to the effect that (i) the Issuer has duly authorized the execution and delivery of this Master Resolution and the issuance and delivery of Series 2015 Bonds, and this Master Resolution has been duly executed and delivered by the Issuer and is a valid and binding agreement of the Issuer enforceable in accordance with its terms with standard limitations regarding bankruptcy, equitable remedies and judicial discretion; (ii) this Master Resolution creates the valid pledge which it purports to create of the Assessments, all monies in the funds and accounts held by the Issuer hereunder and all other rights herein granted for further securing the Series 2015 Bonds; (iii) the Series 2015 Bonds are valid and binding obligations of the Issuer, entitled to the benefits and security of this Master Resolution; and (iv) interest on the Series 2015 Bonds is exempt from State of Utah individual income taxes, provided that such opinion may contain limitations acceptable to the Initial Purchaser.

Such other documents and opinions as the Issuer or the Initial Purchaser shall reasonably request.

#### Section 2.7 Book-Entry System.

(a) Notwithstanding any other provision hereof, the Series 2015 Bonds shall be initially issued in the form of a separate single certificated fully registered Bond for each of the maturities set forth in Section 2.2 hereof. The Series 2015 Bonds shall be initially delivered as physical certificates registered in the name of the owner thereof. The Series 2015 Bonds may be subsequently registered in the registration records kept by the Bond Registrar in the name of Cede & Co. ("Cede"), as nominee of The Depository Trust Company, New York, New York (together with any substitute securities depository appointed pursuant to Section 2.5(c)(ii) "DTC"). Payment of the interest on any Series 2015 Bonds shall be made in accordance with the provisions of this Master Resolution to the account of Cede on the Interest Payment Dates for the Series 2015 Bonds at the address indicated for Cede in the registration books of the Bond Registrar.

(b) With respect to Bonds registered in the name of Cede, the Issuer, the Bond Registrar, and any Paying Agent shall have no responsibility or obligation to any DTC participant or to any beneficial owner of any of such Bonds. Without limiting the immediately preceding sentence, the Issuer, the Bond Registrar and any Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC participant with respect to any beneficial ownership interest in the Bonds, (ii) the delivery to any DTC participant, beneficial owner or other person, other than DTC, of any notice with respect to the Bonds, or (iii) the payment to any DTC participant, beneficial owner or other person, other than DTC, of any amount with respect to the principal, or interest on, any of the Bonds. The Issuer, the Bond Registrar and any Paying Agent may treat DTC as, and deem DTC to be, the absolute owner of

each Bond for all purposes whatsoever, including (but not limited to) (A) payment of the principal or redemption price of, and interest on, each such Bond, (B) giving notices of redemption and other matters with respect to such Bonds, and (C) registering transfers with respect to such Bonds. So long as the Bonds are registered in the name of Cede & Co., the Paying Agent shall pay the principal and interest on all Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to satisfy fully and discharge the Issuer's obligations with respect to such principal and interest to the extent of the sum or sums so paid. Except as provided in paragraph (c) of this Section 2.7, no person other than DTC shall receive a Bond evidencing the obligation of the Issuer to make payments of principal and interest on any such Bond pursuant to this Indenture. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer provisions of this Indenture, the word "Cede" in this Indenture shall refer to such new nominee of DTC.

(c) DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving written notice to the Issuer, the Bond Registrar, and the Paying Agent, which notice shall certify that DTC has discharged its responsibilities with respect to the Bonds under applicable law.

(i) The Issuer, in its sole discretion and without the consent of any other person, may, by notice to the Bond Registrar, terminate the services of DTC with respect to the Bonds if the Issuer determines that the continuation of the system of book-entry-only transfers through DTC is not in the best interests of the beneficial owners of the Bonds or the Issuer; and the Issuer shall, by notice to the Bond Registrar, terminate the services of DTC with respect to the Bonds upon receipt by the Issuer, the Trustee, the Bond Registrar, and the Paying Agent of written notice from DTC to the effect that DTC has received written notice from DTC participants having interests, as shown in the records of DTC, in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount of the then Outstanding Bonds to the effect that: (1) DTC is unable to discharge its responsibilities with respect to the Bonds; or (2) a continuation of the requirement that all of the Outstanding Bonds be registered in the registration books kept by the Bond Registrar in the name of Cede, as nominee of DTC, is not in the best interests of the beneficial owners of the Bonds.

(ii) Upon the termination of the services of DTC with respect to the Bonds or upon the discontinuance or termination of the services of DTC with respect to the Bonds the Issuer may within ninety (90) days thereafter appoint a substitute securities depository which, in the opinion of the Issuer, is willing and able to undertake the functions of DTC hereunder upon reasonable and customary terms. If no such successor can be found within such period, the Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the

name of Cede, as nominee of DTC. In such event, the Issuer shall execute and the Bond Registrar shall authenticate Bond certificates as requested by DTC of like principal amount, maturity, and series, in authorized denominations to the identifiable beneficial owners in replacement of such beneficial owners' beneficial interest in the Bonds.

(iii) Notwithstanding any other provision of this Master Resolution to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to the principal or redemption price of, and interest on, such Bond and all notices with respect to such Bond shall be made and given, respectively, to DTC.

(d) In connection with any notice or other communication to be provided to Holders of Bonds registered in the name of Cede pursuant to this Master Resolution by the Issuer or the Bond Registrar with respect to any consent or other action to be taken by such Holders, the Issuer shall establish a record date for such consent or other action by such Holders and give DTC notice of such record date not less than fifteen (15) days in advance of such record date to the extent possible.

Section 2.8 Application of Moneys upon Issuance of Series 2015 Bonds. The Issuer shall concurrently with the issuance of the Series 2015 Bonds deposit the total sum of \$100,500 from net proceeds of the Series 2015 Bonds, as follows:

(a) \$100,000 into the Construction Fund to be used to pay the acquisition and construction costs of the Improvements; and

(b) \$500 into the Cost of Issuance Fund established herein and used to pay for costs with respect to the issuance of the Series 2015 Bonds.

No proceeds of the Series 2015 Bonds shall be deposited in the Debt Service Reserve and the Capitalized Interest Accounts of the Reserve Fund.

Section 2.9 Further Authority. The Mayor and the City Recorder of the Issuer and other officers of the Issuer are, and each of them is, hereby authorized to do or perform all such acts and to execute all such certificates, documents, and other instruments as may be necessary or advisable to provide for the issuance, sale, registration, and delivery of the Series 2015 Bonds.

Section 2.10 Issuance of Additional Assessment Bonds. No additional indebtedness, bonds, or notes of the Issuer secured by a pledge of the Assessments senior to the pledge of Assessments for the payment of the Bonds herein authorized shall be created or incurred without the prior written consent of the Borrower and the Bondholder Representative. In addition, no Additional Assessment Bonds of the Issuer shall be issued or incurred, unless the following requirements have been met:

(a) All payments required by this Master Resolution to be made into the Bond Fund must have been made in full, and there must be on deposit in the Debt

Service Reserve Account the full amount required to be accumulated therein with respect to all series of Bonds Outstanding at the time of issuance of the Additional Assessment Bonds;

(b) The Issuer must fund the Debt Service Reserve Account in an amount equal to the Debt Service Reserve Requirement with respect to said Additional Assessment Bonds;

(c) Prior to the authentication and delivery by the Issuer of the Additional Assessment Bonds, there shall have been filed with the Issuer:

(i) A copy, duly certified by the City Recorder, of the Amendment to Assessment Ordinance and the Supplemental Resolution authorizing the issuance of the Additional Assessment Bonds;

(ii) A copy, certified by the City Recorder, of the proceedings of the City Council approving the execution and delivery of the Supplemental Resolution and the series of Bonds to be issued, together with a certificate, dated as of the date of authentication, of the City Recorder that such proceedings are still in force and effect without amendments except as shown in such proceedings;

(iii) A request and authorization of the Issuer to the Bond Registrar to authenticate such series of Bonds in the aggregate principal amount therein specified and deliver them to the purchaser of such Bonds upon payment to the Issuer; and

(iv) an opinion of bond counsel dated the date of authentication of such series of Bonds to the effect that (A) the Issuer has duly authorized the execution and delivery of the Supplemental Resolution and the issuance and delivery of the Bonds to be issued, and the Supplemental Resolution has been duly executed and delivered by the Issuer and is a valid and binding agreement of the Issuer enforceable in accordance with its terms with standard limitations regarding bankruptcy, equitable remedies and judicial discretion; (B) this Master Resolution and Supplemental Resolution create the valid pledge which it purports to create of the Assessments, all monies in the funds and accounts held by the Issuer hereunder and under the Supplemental Resolution and all other rights herein granted for further securing the series of Bonds; and (C) the Additional Assessment Bonds are valid and binding obligations of the Issuer, entitled to the benefits and security of this Master Resolution and Supplemental Resolution; and

(d) Each series of Additional Assessment Bonds shall be authenticated and delivered by the Bond Registrar only upon receipt by the Bond Registrar (in addition to the documents required by Section 2.10(c)) of the written consent of the Borrower and the Bondholder Representative, and a written certificate of the Issuer, dated as of the date of such delivery, that contains the following:

(i) A statement that, upon the authentication and delivery of the Bonds of such series, no Event of Default has occurred and is then continuing under this Master Resolution and no event has or will have occurred which, with the passage of time or the giving of notice, or both, would give rise to an Event of Default under this Master Resolution; and

(ii) (A) the fair market value of all properties to be assessed with respect to the Additional Assessment Bonds, (B) the amount of all Assessments plus any other assessments levied against the properties described in (A) pursuant to the Act, and (C) a statement that the fair market value set forth in (A) is not less than three times the total assessments set forth in (B).

ARTICLE III  
EXECUTION, TRANSFER, AND EXCHANGE OF  
BONDS; BOND REGISTRAR

Section 3.1 Execution of Bonds. The Bonds shall be executed on behalf of the Issuer by the Mayor and attested by the City Recorder of the Issuer (the signatures of said Mayor and City Recorder being either manual and/or by facsimile) and the corporate seal of the Issuer or a facsimile thereof shall be impressed or imprinted thereon. The use of such facsimile signatures of said Mayor and City Recorder and such facsimile of the seal of the Issuer on the Bonds are hereby authorized, approved, and adopted by the Issuer as the authorized and authentic execution, attestation, and sealing of the Bonds by said officials. The Bonds shall then be delivered to the Bond Registrar for manual authentication by it. The Certificate of Authentication shall be substantially in the form provided in Exhibit A attached hereto. Only such of the Bonds as shall bear thereon a Certificate of Authentication, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this Master Resolution, and such certificate of the Bond Registrar shall be conclusive evidence that the Bonds so certified have been duly registered and delivered under, and are entitled to the benefits of, this Master Resolution and that the Holder thereof is entitled to the benefits of this Master Resolution. The Certificate of Authentication of the Bond Registrar on any Bond shall be deemed to have been executed by it if (a) such Bonds is signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the Certificate of Authentication on all of the Bonds issued hereunder or that all of the Bonds hereunder be certified as registered by the same Bond Registrar, and (b) the date of authentication of the Bond is inserted in the place provided therefor on the Certificate of Authentication.

In case any officer whose signature or a facsimile of whose signature shall appear on any Bond (including any Exchange Bond) shall cease to be such officer before the issuance or delivery of such Bond, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until such issuance or delivery, respectively.

Section 3.2 Transfer of Bonds.

(a) Any Bond may, in accordance with its terms, be transferred, upon the registration books kept by the Bond Registrar pursuant to Section 3.4 hereof, by the Person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the principal office of the Bond Registrar, accompanied by delivery of a written instrument of transfer in a form approved by the Bond Registrar, duly executed. No transfer shall be effective until entered on the registration books kept by the Bond Registrar. The Issuer, the Bond Registrar and the Paying Agent may treat and consider the Person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the Holder and absolute Owner thereof for the purpose of

receiving payment of, or on account of, the principal or redemption price thereof and interest due thereon and for all other purposes whatsoever. The Bonds may be transferred only to an “accredited investor” as that term is defined “in Rule 501 of Regulation D under the Securities Act or a “qualified institutional buyer” as that term is defined under Rule 144A of the Securities Act. Any transfer in violation of this Section 3.2 shall be null and void.

(b) Whenever any Bond or Bonds shall be surrendered for transfer, the Bond Registrar shall authenticate and deliver a new fully registered Bond or Bonds (which may be an Exchange Bond or Bonds pursuant to Section 3.3 hereof) of the same series, designation, Maturity Date, and interest rate and of Authorized Denominations duly executed by the Issuer, for a like aggregate principal amount. The Bond Registrar shall require the payment by the Bondholder requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer. With respect to each Bond, no such transfer shall be required to be made after the Regular Record Date with respect to any Interest Payment Date to and including such Interest Payment Date.

(c) Notwithstanding the foregoing provisions of this Section 3.2, the Series 2015 Bonds shall be issued as a single bond and may only be transferred to a single “qualified institutional buyer” as defined under Rule 144A of the Securities Act or a single “accredited investor” as defined in Rule 501 of Regulation D of the Securities Act.

Section 3.3 Exchange of Bonds. The Bonds may be exchanged at the office of the Bond Registrar for a like aggregate principal amount of fully registered Series 2015 Bonds (which may be an Exchange Bond or Bonds pursuant to this Section 3.3) of the same series, designation, Maturity Date, and interest rate and other Authorized Denominations. The Bond Registrar shall require the payment by the Bondholder requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. With respect to each Bond, no such exchange shall be required to be made with respect to any Interest Payment Date after the Regular Record Date to and including such Interest Payment Date.

Section 3.4 Bond Registration Books. This Master Resolution shall constitute a system of registration within the meaning and for all purposes of the Registered Public Obligations Act, Title 15, Chapter 7, Utah Code Annotated 1953. The Bond Registrar shall keep or cause to be kept, at its principal office, sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the Issuer; and, upon presentation for such purpose, the Bond Registrar shall, under such reasonable regulations as it may prescribe, register, or transfer or cause to be registered or transferred on said books, the Bonds as herein provided.

Section 3.5 List of Bondholders. The Bond Registrar shall maintain a list of the names and addresses of the Holders of all Bonds and upon any transfer shall add the name and address of the new Bondholder and eliminate the name and address of the transferor Bondholders.

Section 3.6 Duties of Bond Registrar. If requested by the Bond Registrar, the Mayor and City Recorder are authorized to execute the Bond Registrar's standard form of agreement between the Issuer and the Bond Registrar with respect to the compensation, obligations, and duties of the Bond Registrar hereunder which may include the following:

(a) to act as Bond Registrar, authenticating agent, Paying Agent, and transfer agent as provided herein;

(b) to maintain a list of Bondholders as set forth herein and to furnish such list to the Issuer upon request, but otherwise to keep such list confidential;

(c) to cancel and/or destroy the Bonds which have been paid at maturity or upon earlier redemption or submitted for exchange or transfer;

(d) upon request, to furnish the Issuer at least annually a certificate with respect to the Bonds canceled and/or destroyed; and

(e) upon request, to furnish the Issuer at least annually an audit confirmation of the Bonds paid, the Bonds Outstanding, and payments made with respect to interest on the Bonds.



## ARTICLE IV

### CREATION OF FUNDS AND ACCOUNTS

Section 4.1 Creation of Assessment Fund. There is hereby created and ordered established in the custody of the Issuer a fund in the name of the Issuer referred to as the Assessment Fund. For accounting purposes, the Assessment Fund may be redesignated by different account names by the Issuer from time to time.

Section 4.2 Creation of Construction Fund. There is hereby created and ordered established in the custody of the Issuer a fund in the name of the Issuer referred to as the Construction Fund.

Section 4.3 Creation of Bond Fund. There is hereby created and ordered established in the custody of the Issuer a fund in the name of the Issuer referred to as the Bond Fund. Within the Bond Fund, there is hereby created and ordered established one account—the Redemption Account.

Section 4.4 Creation of Reserve Fund. Consistent with the terms of the Assessment Ordinance, there is hereby created and ordered established in the custody of the Issuer a fund in the name of the Issuer referred to as the Reserve Fund. Within the Reserve Fund, there is hereby created and ordered established two accounts—the Debt Service Reserve Account and the Capitalized Interest Account.

Section 4.5 Creation of Cost of Issuance Fund. There is hereby created and ordered established in the custody of the Issuer an account in the name of the Issuer referred to as the Cost of Issuance Fund.

Section 4.6 Reserved.

Section 4.7 Additional Funds and Accounts. Notwithstanding anything contained herein to the contrary, the Issuer need not create any of the funds or accounts referenced in this Article IV until such funds or accounts shall be utilized as provided in a Supplemental Resolution. The Issuer may, by Supplemental Resolution, authorize the creation of additional funds and additional accounts within any funds.

## ARTICLE V

### USE OF FUNDS

Section 5.1 Use of Assessment Fund. The Issuer hereby grants the Initial Purchaser, as the initial Assessment Officer, the right to receive and collect all payments of Assessments pertaining to the Series 2015 Bonds hereunder. Such Assessment payments received by the Initial Purchaser shall be credited against the Issuer's payment obligations hereunder and under the Series 2015 Bonds. The Issuer shall have the right to remove and/or replace the Assessment Officer at any time following delivery by the Issuer to the Assessment Officer of at least thirty (30) days prior written notice of such removal. Following the removal of any Assessment Officer, the Issuer may elect to collect all payments of Assessments pertaining to the Series 2015 Bonds hereunder. Upon the Issuer's election to collect payments of Assessments, all such payments received and collected by the Issuer pursuant to the Assessment Ordinance, including Assessments received from the foreclosure sale of delinquent properties shall be deposited upon receipt in the Assessment Fund and shall be transferred within ten (10) days after receipt for deposit in the funds and accounts in the specified order of priority, each priority being fully paid before funds are used to pay any lower priority and no payment being made on any priority if funds have been exhausted in the payment of higher priorities, as follows:

(a) *First*, all regularly scheduled payments of Assessments shall be deposited by the Issuer in the Bond Fund to pay the principal of and interest on the Bonds on each Interest Payment Date and at maturity or upon mandatory sinking fund redemption;

(b) *Second*, all prepayments of Assessments, including prepayment premiums, if any, shall be deposited by the Issuer first in the Bond Fund to pay principal of and interest on the Bonds on the next succeeding Interest Payment Date and at maturity or upon mandatory sinking fund redemption and second, in the Redemption Account within the Bond Fund to redeem Bonds as provided in Section 2.5(a) or (c);

(c) *Third*, Assessments received from the foreclosure sale of delinquent property sufficient to replenish the Debt Service Reserve Account for draws made thereon to pay principal of or interest on Bonds when due, shall be deposited into the Debt Service Reserve Account;

(d) *Fourth*, all remaining Assessments received from the foreclosure sale of delinquent property shall be deposited by the Issuer in the Redemption Account within the Bond Fund to redeem Bonds pursuant to Section 4.3 herein; and

(e) *Fifth*, any amounts paid to cover the administration costs of the Issuer shall be remitted to the Issuer.

Section 5.2 Use of Bond Fund.

(a) The Issuer shall make deposits to the Bond Fund, as and when received, as follows:

- (i) the amounts provided for in Section 5.1 herein;
- (ii) moneys transferred from the Reserve Fund as provided in Section 5.4 herein;
- (iii) all other moneys received by the Issuer hereunder when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund.

(b) Except as provided in this Section, moneys in the Bond Fund shall be expended solely for the payment of principal or purchase price of and interest on the Bonds as the same become due, at maturity, upon earlier redemption, or tender.

The Issuer shall withdraw sufficient moneys from the Bond Fund to pay principal or purchase price of and interest on the Bonds as the same become due and payable at maturity or upon earlier redemption or tender and to make said moneys so withdrawn available to the Paying Agent for the purpose of paying said principal, purchase price and interest.

Section 5.3 Construction Fund. So long as an Event of Default shall not have occurred and be continuing and except as otherwise provided by Supplemental Resolution, moneys deposited in the Construction Fund shall be disbursed by the Issuer to pay the costs of the Improvements, in each case within three (3) Business Days (or within such longer period as is reasonably required to liquidate investments in the Construction Fund if required to make such payment) after the receipt by the Issuer of a written requisition, acceptable to the Issuer, signed by an Authorized Representative of the Borrower and approved in writing by the Bondholder Representative in the form attached hereto as Exhibit C, directing that the Issuer disburse sums in the manner specified by and to the person or entity designated in such written requisition, and that the amount set forth therein is due and owing and constitutes a cost of acquisition and/or construction of the Improvements based upon itemized claims substantiated in support thereof.

(a) Upon receipt of such requisition, the Issuer shall pay the obligation set forth in such requisition out of moneys in the Construction Fund. In making such payments the Issuer may rely upon the information submitted in such requisition. Such payments shall be presumed to be made properly and the Issuer shall not be required to verify the application of any payments from the Construction Fund or to inquire into the purposes for which disbursements are being made from the Construction Fund.

(b) The Borrower shall deliver to the Issuer within ninety (90) days after all moneys have been expended from the Construction Fund, a certificate executed by an Authorized Representative of the Borrower stating:

(i) that that portion of the Improvements to be financed with proceeds of the applicable series of Bonds has been fully completed in accordance with the plans and specifications therefor, as amended from time to time; and

(ii) that said Improvements have been fully paid for and no claim or claims exist against the Issuer or against such Improvements out of which a lien based on furnishing labor or material exists or might ripen; provided, however, there may be excepted from the foregoing certification any claim or claims out of which a lien exists or might ripen in the event the Issuer intends to contest such claim or claims, in which event such claim or claims shall be described to the Issuer.

(c) In the event the certificate filed with the Issuer pursuant to Section 5.3(b) herein shall state that there is a claim or claims in controversy which create or might ripen into a lien, an Authorized Representative of the Borrower shall file a similar certificate with the Issuer when and as such claim or claims shall have been fully paid or otherwise discharged.

(d) The Issuer and the Borrower shall keep and maintain adequate records pertaining to each account within the Construction Fund and all disbursements therefrom.

(e) Upon completion of that portion of the Improvements to be financed with proceeds of the applicable series of Bonds, and payment of all costs and expenses incident thereto and the filing with the Issuer of documents required by this Section 5.3, any balance remaining in the applicable account within the Construction Fund shall be deposited in the Bond Fund, to be applied to pay interest next falling due with respect to the applicable series of Bonds.

The Issuer shall, to the extent there are no other available funds held under the Master Resolution, use the remaining funds in the Construction Fund to pay principal and interest on the Bonds at any time in the event of a payment default hereunder.

**Section 5.4 Use of Reserve Fund.** None of the proceeds of the Series 2015 Bonds shall be deposited in the Capitalized Interest Account of the Reserve Fund. Except as otherwise provided in this Section, moneys on deposit in the Debt Service Reserve Account shall at all times be maintained in an amount not less than the Debt Service Reserve Requirement. Moneys on deposit in the Debt Service Reserve Account shall be used to make up any deficiencies in the Bond Fund for the payment of the Bonds when due. Notwithstanding anything herein to the contrary, in the event the Issuer receives a prepayment in full on a parcel of property ("Prepaid Parcel") it shall transfer moneys from the Debt Service Reserve Account to the Redemption Account in an amount equal to that Prepaid Parcel's pro rata share of the Debt Service Reserve Requirement (taking into account any outstanding delinquencies with respect to the Prepaid Parcel). Those moneys, together with the prepayment of Assessment, shall be used to redeem the series of Bonds related to such prepayment as provided in Section

2.5(c) herein. The new Debt Service Reserve Requirement with respect to the Bonds shall then be the original Debt Service Reserve Requirement, less the amounts transferred from the Debt Service Reserve Account to the Redemption Account as described in this paragraph.

Moneys at any time on deposit in the Debt Service Reserve Account in excess of the Debt Service Reserve Requirement shall on each Interest Payment Date be transferred to the Bond Fund to be used to pay principal and/or interest on the Series 2015 Bonds as the same come due. Payments of Assessments coming due on the next assessment payment date shall be reduced pro rata as a result of said transfer from the Debt Service Reserve Account. Upon the final payment of a series of Bonds, moneys on deposit in the Debt Service Reserve Account with respect to such series of Bonds shall be applied by the Issuer to said final payment, and any excess moneys on deposit thereafter shall at the written direction of the Issuer, be remitted to the owners of assessed property as an overpayment of Assessments.

If at any time the amount on deposit in the Debt Service Reserve Account is less than the Debt Service Reserve Requirement with respect to the Bonds, as adjusted from time to time, the Issuer shall replenish the Debt Service Reserve Account to the extent possible from proceeds received from the sale of delinquent property as provided in the Act.

Section 5.5 Cost of Issuance Fund. Upon receipt by the Issuer of a requisition signed by an Authorized Representative of the Borrower in substantially the form of Exhibit B attached hereto, the Issuer will disburse from the Cost of Issuance Account the amounts to the parties identified on such requisition.

Section 5.6 Reserved.

Section 5.7 Investment of Funds. All moneys in the Bond Fund, the Construction Fund, the Reserve Fund and the Cost of Issuance Fund, may, at the discretion of the Issuer, be invested in Qualified Investments. All income derived from the investment of the Bond Fund, the Construction Fund, the Reserve Fund and the Cost of Issuance Fund shall be maintained in said Funds and accounts respectively and shall be disbursed along with the other moneys on deposit therein as herein provided.

Section 5.8 Method of Valuation and Frequency of Valuation. In computing the amount in any fund or account, Qualified Investments shall be valued at market. With respect to all funds and accounts, valuation shall occur annually, except in the event of a withdrawal from the Reserve Fund, whereupon the securities therein shall be valued immediately after such withdrawal.

## ARTICLE VI

### COVENANTS AND UNDERTAKINGS

Section 6.1 Covenants of Issuer. All covenants, statements, representations, and agreements contained in the Bonds, and all recitals and representations in this Master Resolution are hereby considered and understood as the covenants, statements, representations, and agreements of the Issuer.

Section 6.2 Ratification of Prior Proceedings. All the proceedings heretofore taken and adopted for the creation of the Assessment Area and for the assessment of the cost of constructing such Improvements on and against the private properties in the Assessment Area as set forth in the Assessment Ordinance shall be and the same are hereby ratified, approved, and confirmed. No Assessment will exceed the benefit to be derived directly or indirectly from the Improvements by the property assessed, and no parcel of property will bear more than its proportionate share of the cost of the Improvements to be made.

Section 6.3 Levy and Collection of Assessments. The Assessment Officer shall be and is hereby authorized and empowered, and it shall be his/her duty to receive and collect all Assessments levied to pay the cost of the Improvements of the Assessment Area, the installments thereon, the interest thereon, and the penalties accrued thereon, including without limiting the generality of the foregoing, the whole of the unpaid principal, interest and penalties accrued which become due and payable immediately because of the failure to pay any installment whether of principal or interest, when due, and to pay and disburse such payments as herein provided.

Section 6.4 Lien of Assessment. The Assessments, any interest accruing on the Assessments and the penalties and costs of collection of the Assessments shall continue to constitute and are hereby declared to be a lien against the properties upon which the Assessments are levied within the Assessment Area from and after the date on which the Assessment Ordinance became effective. Said lien shall be superior to the lien of any trust deed, mortgage, mechanic's or materialman's lien, or other encumbrance, and shall be equal to and on a parity with the lien for general property taxes. Said lien shall apply without interruption, change in priority, or alteration in any manner to any reduced obligations and shall continue until the Assessment and any interest, penalties, and costs thereon are paid in full, notwithstanding any sale of the property for or on account of a delinquent general property tax, special tax, other assessment or otherwise, or the issuance of a tax deed, an assignment of interest by the Issuer, or a sheriff's certificate of sale or deed.

Section 6.5 Default in Payment of Assessments. In the event a default occurs in the payment of any installment of principal or interest of the Assessments levied pursuant to the Assessment Ordinance when due, the Issuer shall (a) either declare the unpaid amount delinquent and subject to collection or declare the whole of the unpaid Assessment immediately due and payable and subject to collection, (b) provide notice of such default, and (c) following the lapse of a 30-day period to remedy the default

provided in the Notice, all as provided in the Assessment Ordinance, the Issuer may immediately initiate and diligently pursue to completion a summary sale pursuant to Section 11-42-502 and related pertinent provisions of the Act, of all delinquent property in the manner provided for actions to foreclose trust deeds. If at the sale, no person or entity shall bid and pay the Issuer the amount due on the Assessment plus interest and costs, the property shall be deemed sold to the Issuer for these amounts. So long as the Issuer retains ownership of the property, it shall pay all delinquent Assessment installments and all Assessment installments that become due, including the interest on them.

The remedies provided in this Section for the collection of Assessments and the enforcement of liens shall be deemed and construed to be cumulative and the use of any one method or means of collection or enforcement shall not deprive the Issuer of the use of any other method or means.

Section 6.6 Limited Obligation of Issuer. Notwithstanding anything contained elsewhere herein to the contrary, the Bonds are not a general obligation of the Issuer but are payable exclusively out of the funds described herein. The Issuer shall not be liable for the payment of the Bonds, except to the extent of the funds created and received from (a) the Assessments, including Assessments collected through foreclosure sales resulting from unpaid Assessments, and (b) moneys on deposit in the Reserve Fund, but the Issuer shall be held responsible for the lawful levy of all Assessments, for the creation and maintenance of the Reserve Fund as provided herein, and for the faithful accounting, collection, settlement, and payment of the Assessments. The Issuer may apply at its sole discretion any other legally available funds or revenues to the payment of the principal and interest on the Bonds.

Section 6.7 Bonds in Registered Form. The Issuer agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 6.8 Reserved.

Section 6.9 No Additional Security Interest. The Issuer covenants that so long as any Bonds remain Outstanding, it shall not pledge or grant any security interest in the Assessments or any investment proceeds thereof (except as expressly provided in this Master Resolution).

## ARTICLE VII

### EVENTS OF DEFAULT; REMEDIES

Section 7.1 Events of Default. Each of the following events is hereby declared an Event of Default:

(a) if payment of any installment of interest on any of the Bonds shall not be made by or on behalf of the Issuer when the same shall become due and payable, or

(b) if payment of the principal of or the redemption premium, if any, on any of the Bonds shall not be made by or on behalf of the Issuer when the same shall become due and payable, either at maturity, by mandatory sinking fund redemption or by proceedings for redemption in advance of maturity; or

(c) if an order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver or custodian for any of the revenues of the Issuer, or approving a petition filed against the Issuer seeking reorganization of the Issuer under the federal bankruptcy laws or any other similar law or statute of the United States of America or any state thereof, or if any such order or decree, having been entered without the consent or acquiescence of the Issuer shall not be vacated or discharged or stayed on appeal within thirty (30) days after the entry thereof; or

(d) if any proceeding shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any law or statute of the United States of America or any state thereof; or

(e) if (i) the Issuer is adjudged insolvent by a court of competent jurisdiction, or (ii) an order, judgment, or decree be entered by any court of competent jurisdiction appointing, without the consent of the Issuer, a receiver, trustee, or custodian of the Issuer or of the whole or any part of the Issuer's property and any of the aforesaid adjudications, orders, judgments, or decrees shall not be vacated or set aside or stayed within sixty (60) days from the date of entry thereof; or

(f) if the Issuer shall file a petition or answer seeking reorganization, relief, or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof; or

(g) if the Issuer shall for any reason be rendered incapable of fulfilling its obligations hereunder; or

(h) if the Issuer defaults in the performance or observance of any covenant, agreement, or condition on the part of the Issuer hereunder or under the Assessment Ordinance (other than defaults mentioned in (a) or (b) above) and fails to remedy the same for a period of thirty (30) days after notice of the default



is given by the Bondholders of at least a majority in aggregate principal amount of then Outstanding Bonds; or

Section 7.2 Remedies; Rights of Bondholders. Subject to the limitations contained in Section 6.6 hereof, upon the occurrence and continuance of any Event of Default, the Bondholders may pursue any available remedy by suit at law or in equity (including an action seeking the appointment of a receiver) to enforce payment on such Bonds or to enforce any obligation of the Issuer hereunder or under the Assessment Ordinance (including, without limitation, by writ of mandamus, action for specific performance, or otherwise). No remedy conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy, but each remedy is cumulative and is in addition to every other remedy given hereunder and under the Assessment Ordinance or at law or otherwise to the Bondholders.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any Event of Default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Event of Default hereunder shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Section 7.3 Right of Bondholder Representative to Direct Proceedings. Anything herein to the contrary notwithstanding, the Bondholder Representative shall have the right, at any time, to direct the time, the method, and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions hereof, or for the appointment of a receiver or any other proceedings hereunder; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of this Master Resolution.

Section 7.4 Defaulted Bonds. In the event the Issuer has insufficient moneys on deposit in the Bond Fund (after the transfer of all available moneys on deposit in the Reserve Fund as provided in Section 5.4) to pay principal and/or interest on the Bonds when due and payable, the Issuer shall allocate the principal component of said Delinquent Portion to the principal repayment schedule of the Bonds set forth in Section 2.2 herein.

Section 7.5 Application of Moneys. All moneys received by the Paying Agent pursuant to any right given or action taken under the provisions of this Article shall, after payment of Paying Agent's fees and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Paying Agent, be deposited in the Bond Fund and all moneys so deposited in the Bond Fund (excluding moneys in the Redemption Account) together with any other money held in any fund established hereunder, shall be applied in the following order:

(a) To the payment of the principal of, premium, if any, and interest then due and payable on the Bonds as follows:

(i) Unless the principal of all of the Bonds shall have become due and payable or the purchase price for all Bonds shall have become due and payable as provided in Section 7.4, all such moneys shall be applied:

FIRST—To the payment to the Bondholders entitled thereto of all installments of interest then due on the Delinquent Portion of the Bonds in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment of interest, then to the payment pro rata, according to the amounts due on such installment, to the Bondholders entitled thereto, without any discrimination or privilege; and

SECOND—To the payment to the Bondholders entitled thereto of the unpaid principal of and premium, if any, on the Delinquent Portion of the Bonds with interest on such Delinquent Portion, and, if the amount available shall not be sufficient to pay in full the Delinquent Portion, then to the payment pro rata, according to the amount of principal due to the Bondholders entitled thereto without any discrimination or privilege.

(ii) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the principal, and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, pro rata, according to the amounts due respectively for principal and interest, to the Bondholders entitled thereto without any discrimination or privilege.

Subject to compliance with Section 8.2 herein, whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Bondholders shall determine, having due regard to the amounts of such moneys available for such application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Issuer shall apply such funds to be applied pursuant to this Section, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal paid on such dates shall cease to accrue.

Section 7.6 Rights and Remedies of Bondholders. Except as provided in the last sentence of this Section, no Bondholder of any Bond shall have any right to institute any suit, action, or proceeding in equity or at law for the enforcement hereof or for the execution of any trust thereof or for the appointment of a receiver or any other remedy hereunder, unless an Event of Default has occurred. No one or more Bondholder of the Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice the lien hereof by its, his or their action or to enforce any right hereunder except in the

manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Bondholders of all Bonds then Outstanding. Nothing herein contained shall, however, affect or impair the right of any Bondholder to enforce the covenants of the Issuer to pay the principal and purchase price upon tender of, and premium, if any, and interest on, each of the Bonds issued hereunder held by such Bondholder at the time, place, from the source, and in the manner in said Bonds expressed.

Section 7.7 Termination of Proceedings. In case the Bondholders shall have proceeded to enforce any right hereunder by the appointment of a receiver, or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Bondholders, then and in every such case the Issuer and the Bondholder shall be restored to their former positions and rights hereunder, and all rights, remedies, and powers of the Bondholders shall continue as if no such proceedings had been taken.

Section 7.8 Notice of Registered Owners if Event of Default Occurs. The Issuer shall give written notice of any Event of Default (as herein defined) related to any Event of Default that occurs under Section 7.1(a), 7.1(b) or 7.1(c), by registered or certified mail to all Registered Owners of all Bonds then Outstanding shown on the registration books of the Bonds kept by the Bond Registrar as Registrar for the Bonds.

## ARTICLE VIII

### SUPPLEMENTAL RESOLUTIONS

Section 8.1 Supplemental Resolutions and Ordinances Not Requiring Consent of Bondholders. The Issuer may, without the consent of, or notice to, any of the Bondholders, enter into a Supplemental Resolution hereto, or an ordinance or ordinances supplemental to the Assessment Ordinance as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

- (a) To cure any ambiguity or defect or omission herein or in the Assessment Ordinance;
- (b) To grant to or confer to the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the the Bondholders;
- (c) To subject to this Master Resolution additional properties, collateral, or security; and
- (d) To issue any Additional Assessment Bonds as provided in this Master Resolution.

Section 8.2 Supplemental Resolutions and Ordinances Requiring Consent of Bondholders; Waivers and Consents by Bondholders. Exclusive of supplemental resolutions and ordinances covered by Section 8.1 hereof and subject to the terms and provisions contained in this Section, and not otherwise, the Bondholders of at least a majority in aggregate principal amount of the Bonds then Outstanding, shall have the right, from time to time, anything contained herein to the contrary notwithstanding, to (a) consent to and approve the execution by the Issuer of such other supplemental resolution and ordinances supplemental to the Assessment Ordinance as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, altering, amending, adding to, or rescinding any of the terms or provisions contained herein or in any supplemental Resolution or in the Assessment Ordinance as supplemented, or (b) waive or consent to the taking by the Issuer of any action prohibited, or the omission by the Issuer of the taking of any action required, by any of the provisions hereof or of any Supplemental Resolution hereto or in the Assessment Ordinance as supplemented; provided, however, that nothing in this Section contained shall permit or be construed as permitting (i) an extension of the stated maturity or reduction in the principal amount of, or reduction in the rate of or extension of the time of paying of interest on, or reduction of any premium payable on the redemption of, any Bond, without the consent of the Bondholder of such Bond, or (ii) a reduction in the amount or extension of the time of any Assessment or any other payment required hereunder or under the Assessment Ordinance to any fund established hereunder without the consent of the Bondholders of all the Bonds which would be affected by the action to be taken, or (iii) a reduction in the aforesaid aggregate principal amount of Bonds, the Bondholders of which are required to consent to any such waiver or Supplemental Resolution or ordinance, or (iv) affect the rights of the Bondholders of less than all Bonds then Outstanding, without the consent of the

Bondholders of all the Bonds at the time Outstanding which would be affected by the action to be taken. Prior to any Supplemental Resolution or ordinance becoming effective hereunder, the Issuer shall have on file written consent to such Supplemental Resolutions or ordinances executed by at least a majority in aggregate principal amount of all Bonds then Outstanding.

## ARTICLE IX

### DISCHARGE OF MASTER RESOLUTION

If the Issuer shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made, to or for the Bondholders of the Bonds, the principal of and interest due or to become due thereon at the times and in the manner stipulated therein, and shall pay or cause to be paid to the Paying Agent all sums of moneys due or to become due according to the provisions hereof, then these presents and the estate and rights hereby granted shall cease, terminate, and be void, whereupon the Issuer shall cancel and discharge the lien hereof, except moneys or Bonds held by the Issuer for the payment of the principal of and interest on the Bonds.

Any Bond shall be deemed to be paid within the meaning of this Article when payment of the principal of such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided herein, or otherwise), either (a) shall have been made or caused to have been made in accordance with the terms thereof or (b) shall have been provided by irrevocably depositing with or for the benefit of the Bondholders, in trust and irrevocably setting aside exclusively for such payment (i) moneys sufficient to make such payment or (ii) Government Obligations, maturing as to principal and interest in such amount and at such times (without further investment) as will insure the availability of sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Issuer pertaining to the Bond with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Bondholders so paid as evidenced by a written consent of such Bondholder filed with the Issuer. The sufficiency of the Government Obligations to pay principal and interest on the Bonds when due at maturity or upon redemption and the determination that the yield on said Government Obligations does not exceed the yield on the Bonds shall be verified by a written report of a firm of independent public accountants delivered to the Issuer. At such times as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits hereof, except for the purposes of any such payment from such moneys or Government Obligations.

Notwithstanding the foregoing, in the case of Bonds, which by their terms may be redeemed prior to their stated maturity, no deposit under the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until the Issuer shall have:

(a) instructed the Paying Agent to call for redemption pursuant hereto any Bonds to be redeemed prior to maturity; and

(b) instructed Paying Agent to mail, as soon as practicable, in the manner prescribed by Article II hereof, a notice to the Bondholders of such Bonds which have been selected by the Issuer by lot that the deposit required by this Section has been made with the Issuer and that such Bonds are deemed to have been paid in accordance with this Article and stating the maturity or redemption date upon

which moneys are to be available for the payment of the principal or redemption price, if applicable, on said Bonds.

Any moneys so deposited with the Paying Agent as provided in this Article may also be invested and reinvested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of the Paying Agent pursuant to this Article which is not required for the payment of the Bonds and interest thereon with respect to which such moneys shall have been so deposited, shall be deposited in the Bond Fund as and when realized and collected for use and application as are other moneys deposited in that fund; provided, however, that before any excess moneys shall be deposited in the Bond Fund, the Paying Agent shall first obtain a written verification from a firm of independent certified public accountants that the moneys remaining on deposit with the Paying Agent and invested in Government Obligations after such transfer to the Bond Fund shall be sufficient in amount to pay principal and interest on the Bonds when due and payable.

Notwithstanding any provision of any other Article hereof which may be contrary to the provisions of this Article, all moneys or Government Obligations set aside and held in trust pursuant to the provisions of this Article for the payment of Bonds (including interest thereon) shall be applied to and used solely for the payment of the particular Bonds (including interest thereon) with respect to which such moneys or Government Obligations have been so set aside in trust.

Anything herein to the contrary notwithstanding, if moneys or Government Obligations have been deposited or set aside with the Paying Agent pursuant to this Article for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of this Article shall be made without the consent of the Bondholder of each Bond affected thereby.

## ARTICLE X

### MISCELLANEOUS

Section 10.1 Consents, Etc., of Registered Owners. Any consent, request, direction, approval, objection, or other instrument required hereby to be executed by the Registered Owners may be in any number of concurrent writings of similar tenor and may be executed by such Registered Owners in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection, or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes hereof, and shall be conclusive in favor of the Issuer with regard to any action taken under such request or other instrument, namely, the fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

Section 10.2 Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Master Resolution or the Bonds is intended or shall be construed to give to any person other than the parties hereto, the Registered Owners of the Bonds, any legal or equitable right, remedy, or claim under or in respect hereto or any covenants, conditions, and provisions herein contained, this Master Resolution and all of the covenants, conditions, and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto, the Registered Owners of the Bonds as herein provided.

Section 10.3 Severability. If any provision hereof shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses, or Sections herein contained, shall not affect the remaining portions hereof, or any part thereof.

Section 10.4 Maintenance of Proceedings. A certified copy of this Master Resolution and every amendatory or supplemental ordinance or resolution shall be kept on file in the office of the City Recorder where it shall be made available for inspection by any Bondholder or his agent. Upon payment of the reasonable cost of preparing the same, a certified copy of the Master Resolution, any amendatory or supplemental ordinance or resolution, will be furnished to any Bondholder. The Bondholders may, by suit, action, mandamus, injunction, or other proceedings, either at law or in equity, enforce or compel performance of all duties and obligations required by this Master



Resolution to be done or performed by the Issuer. Nothing contained herein, however, shall be construed as imposing on the Issuer any duty or obligation to levy any tax to pay the principal on the Bonds authorized herein or to meet any obligation contained herein concerning the Bonds.

Section 10.5 City Recorder as Paying Agent and Registrar. The City Recorder is hereby designated and agrees to act as principal Paying Agent and Bond Registrar for and in respect to the Bonds.

Section 10.6 Counterparts. This Master Resolution may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.7 Applicable Law. This Master Resolution shall be governed exclusively by the applicable laws of the State.

Section 10.8 Immunity of Officers and Directors. No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant, or agreement herein contained against any past, present, or future officer, or other public official, employee, or agent of the Issuer.

Section 10.9 Holidays. If any date for the payment of principal of or interest on the Bonds is not a Business Day, then such payment shall be due on the first Business Day thereafter and no interest shall accrue for the period between such Business Day and such first Business Day thereafter.

Section 10.10 Effective Date. This Master Resolution shall become effective immediately.

Section 10.11 Compliance with Act. It is hereby declared that it is the intention of the Issuer by the execution of this Master Resolution to comply in all respects with the provisions of the Act.

Section 10.12 Notices to and Effect of Actions by Bondholder Representative. Notwithstanding any provision to the contrary contained herein, any notice, request, consent, direction, waiver, approval, agreement, or other action of the Bondholder Representative shall constitute and have the same effect as a notice, request, consent, direction, waiver, approval, agreement, or other action of the Beneficial Owners of the Bonds, as represented by the Bondholder Representative, and, so long as there is a Bondholder Representative with respect to a Bond, notices shall be given to such Bondholder Representative and not to the Registered Owners (except that the Issuer may send routine balancing and payment processing notices to DTC at such time as DTC is the Registered Owner of the Series 2015 Bonds) or to the Beneficial Owners represented by such Bondholder Representative. A copy of any notice given to or sent by the Issuer shall also be provided to the Bondholder Representative.

IN WITNESS WHEREOF, the Issuer hereto have caused this Master Resolution to be executed as of the date first written above.

WEST VALLEY CITY, UTAH, as Issuer

(SEAL)

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
City Recorder

EXHIBIT A

FORM OF BOND

Registered

Registered

UNITED STATES OF AMERICA  
STATE OF UTAH  
WEST VALLEY CITY, UTAH  
ASSESSMENT BONDS  
(HUNT 1920 LLC C-PACE 2015-1)  
SERIES 2015 (FEDERALLY TAXABLE)

Number R -

\$100,500

Interest Rate

Maturity Date

Original Issue Date

6.5%

July 1, 2035

June 29, 2015

Registered Owner: \_\_\_\_\_

Principal Amount: ONE HUNDRED THOUSAND FIVE HUNDRED AND NO/100 DOLLARS

West Valley City, Utah (the "Issuer"), a body politic and corporate duly organized and existing under the Constitution and laws of the State of Utah, acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner named above, or registered assigns, on the Maturity Date identified above, upon presentation and surrender hereof, the Principal Amount identified above, and to pay the Registered Owner hereof interest on the balance of said Principal Amount from time to time remaining unpaid at the Interest Rate per annum (calculated on the basis of a year of 360 days and twelve 30-day months) identified above, payable semiannually on each January 1 and July 1 beginning January 1, 2016, until payment in full of said Principal Amount, except as the provisions set forth in the hereinafter mentioned Master Resolution with respect to redemption prior to maturity may become applicable hereto. Interest on this Bond shall accrue from the Interest Payment Date next preceding the date on which it is authenticated, unless (a) it is authenticated before the first Interest Payment Date following the Original Issue Date identified above, in which case interest shall accrue from the Original Issue Date, or (b) if this Bond is authenticated on an Interest Payment Date, in which case interest shall accrue from such Interest Payment Date; provided that if at the time of authentication of this Bond, interest is in default, interest shall accrue from the date to which interest has been paid in full. Principal of and premium, if any, on this Series 2015 Bond shall be payable upon surrender of this Bond at the office of the City Recorder of West Valley City, Utah, as Paying Agent or by notation on the Record of Principal Payments attached hereto as Attachment A; and payment of the interest hereon shall be made to the Registered Owner hereof and shall be paid by wire in

immediately available funds to the person who is the Registered Owner of record as of the Bond Registrar's close of business on the fifteenth day immediately preceding each Interest Payment Date at the address of such Registered Owner as it appears on the registration books kept by the hereinafter defined Bond Registrar, or at such other address as is furnished in writing by such Registered Owner to the Bond Registrar as provided in the hereinafter defined Master Resolution. Principal of and interest on this Bond shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is one of the West Valley City, Utah Assessment Bonds (Hunt 1920 LLC C-PACE 2015-1) Series 2015 (Federally Taxable) of the Issuer (the "Series 2015 Bonds") limited to the aggregate principal amount of \$100,500 issued under and by virtue of the Assessment Area Act, Title 11, Chapter 42, Utah Code Annotated 1953, as amended (the "Act"), and under and pursuant to a Master Resolution dated as of June 1, 2015, (the "Master Resolution"), for the purpose of (a) financing the costs of acquiring, constructing and installing certain energy efficiency upgrades and/or renewable energy systems to be owned by Hunt 1920 LLC (the "Borrower") on real property owned by the Borrower and located at 1920 West Alexander Street in West Valley City, Utah, and (b) paying issuance expenses incurred in connection with the issuance of the Series 2015 Bonds.

The Series 2015 Bonds are issuable solely in the form of registered bonds without coupons in the denomination of \$100,000 or any amount in excess thereof.

The Series 2015 Bonds are subject to redemption on the dates, at the prices and following such notice as set forth in the Master Resolution.

The City Recorder is the initial bond registrar, and paying agent with respect to the Series 2015 Bonds. Said bond registrar, and paying agent, together with any successor bond registrar, or paying agent, respectively, is referred to herein as "the Bond Registrar," and the "Paying Agent."

Payment of this Bond and the interest thereon shall be made from, and as security for such payment there is pledged a first lien on the moneys on deposit in, the Bond Fund of West Valley City, Utah, containing the receipts derived by the Issuer from the Assessments levied upon the property included in the Assessment Area by the Assessment Ordinance.

It is hereby certified that a Reserve Fund has been created and the Issuer agrees that at all times during the life of this Series 2015 Bond and until payment thereof in full, said Fund shall be maintained as described in the Master Resolution. This Bond is not a general obligation of the Issuer, but is payable exclusively out of the funds described in the Master Resolution. The Issuer shall not be liable for the payment of the Series 2015 Bonds, except to the extent of the funds created and received from (a) proceeds from the sale of any bonds issued to refund and retire the Series 2015 Bond, (b) the Assessments including Assessments collected through foreclosure sales resulting from unpaid Assessments, and (c) moneys on deposit in the Reserve Fund, but the Issuer shall be held

responsible for the lawful levy of all Assessments, for the creation and maintenance and replenishment of the Reserve Fund as provided herein, and for the faithful accounting, collection, settlement, and payment of the Assessments. The Issuer may apply at its sole discretion any other legally available funds or revenues to the payment of the principal and interest on the Series 2015 Bond.

The Assessments made and levied pursuant to the Assessment Ordinance, with accruing interest thereon, and the cost of collection of the Assessments constitute a lien upon and against the property upon which such Assessments were made and levied from and after the date upon which the Assessment Ordinance, which lien is superior to the lien of any trust deed, mortgage, mechanic's or materialman's lien, or other encumbrance. Said lien is equal to and on a parity with the lien for general property taxes and shall continue until the Assessments and interest thereon are paid, notwithstanding any sale of the property for or on account of a delinquent general property tax, special tax, other assessment, or the issuance of a tax deed, an assignment of interest by the Issuer, or a sheriff's certificate of sale or deed.

This Bond is transferable, as provided in the Master Resolution, only upon the books of the Issuer kept for that purpose at the office of the Bond Registrar, by the Registered Owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the Registered Owner or such duly authorized attorney, and thereupon the Issuer shall issue in the name of the transferee a new registered Bond or Bonds of Authorized Denominations of the same aggregate principal amount, series, designation, maturity and interest rate as the surrendered Bond, all as provided in the Master Resolution and upon the payment of the charges therein prescribed. No transfer of this Bond shall be effective until entered on the registration books kept by the Bond Registrar. The Issuer, the Bond Registrar and the Paying Agent may treat and consider the person in whose name this Bond is registered on the registration books kept by the Bond Registrar as the holder and absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever, and neither the Issuer, nor the Bond Registrar nor the Paying Agent shall be affected by any notice to the contrary. The Bonds may be transferred only to a single "accredited investor" as that term is defined "in Rule 501 of Regulation D under the Securities Act or a single "qualified institutional buyer" as that term is defined under Rule 144A of the Securities Act. Any transfer in violation of this paragraph shall be null and void.

Except as otherwise provided herein and unless the context clearly indicates otherwise, words and phrases used herein shall have the same meanings as such words and phrases in the Master Resolution.

This Bond and the issue of which it is a part are issued in conformity with and after full compliance with the Constitution of the State of Utah and pursuant to the provisions of the Act and all other laws applicable thereto. It is hereby certified and recited that all conditions, acts, and things required by the Constitution or statutes of the State of Utah and by the Act and the Master Resolution to exist, to have happened, or to

have been performed precedent to or in connection with the issuance of this Bond exist, have happened, and have been performed and that the issue of Series 2015 Bonds, together with all other indebtedness of the Issuer, is within every debt and other limit prescribed by said Constitution and statutes, and that the aggregate amount of Series 2015 Bonds of the Issuer for the Assessment Area, including this Bond, does not exceed the amount authorized by law nor the special assessment levied to cover the cost of the Improvements in the Assessment Area, and that all said special Assessments have been lawfully levied.

This Bond shall not be valid until the Certificate of Authentication hereon shall have been manually signed by the Bond Registrar.

IN WITNESS WHEREOF, THE ISSUER has caused this Bond to be signed in its name and on its behalf by the Mayor, and attested by the City Recorder (the signatures of said Mayor and City Recorder being by facsimile signature), acting as the officers of the Issuer, and has caused the facsimile of its corporate seal to be printed hereon, and said officials by the execution hereof to adopt as and for their own proper signatures their facsimile signatures appearing on each of the Series 2015 Bonds.

(SEAL)

By: \_\_\_\_\_ (Do Not Sign)  
Mayor

ATTEST:

By: \_\_\_\_\_ (Do Not Sign)  
City Recorder

# CERTIFICATE OF AUTHENTICATION

This Bond is one of the West Valley City, Utah Assessment Bonds (Hunt 1920 LLC C-PACE 2015-1), Series 2015 (Federally Taxable) described in the within mentioned Master Resolution.

By: \_\_\_\_\_  
Bond Registrar

Date of authentication: \_\_\_\_\_, 2015.



## ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM	–	as tenants in common
TEN ENT	–	as tenants by the entireties
JT TEN	–	as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT \_\_\_\_\_  
(Cust.)

Custodian for \_\_\_\_\_  
(Minor)

under Uniform Gifts to Minors Act of \_\_\_\_\_  
(State)

Additional abbreviations may also be used though not in the above list.

## ASSIGNMENT

FOR VALUE RECEIVED, \_\_\_\_\_, the undersigned sells, assigns, and transfers unto:

\_\_\_\_\_  
(Social Security or Other Identifying Number of Assignee)

\_\_\_\_\_  
(Please Print or Typewrite Name and Address of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney for registration thereof, with full power of substitution in the premises.

DATED: \_\_\_\_\_

Signature: \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular without alteration or enlargement or any change whatever.

Signature Guaranteed:

\_\_\_\_\_  
NOTICE: The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to S.E.C. Rule 17Ad-15.

Attachment A

RECORD OF PRINCIPAL PAYMENTS

Pursuant to the Series 2015 Bond to which this schedule is attached, the Registered Owner or its duly authorized agent certified (as evidenced by the signature in the right-hand column) that the principal amount of the attached Bond has been reduced by payment of the principal thereof on the dates and in the amounts indicated.

<u>Date</u>	<u>Principal Amount</u>	<u>Signature of Authorized Officer</u>

EXHIBIT B

COST OF ISSUANCE REQUISITION

(Cost of Issuance Fund)

West Valley City, as issuer

Re: West Valley City, Utah Assessment Bonds (Hunt 1920 LLC C-PACE 2015-1),  
Series 2015 (Federally Taxable)

You are requested to disburse funds from the Costs of Issuance Fund pursuant to Section 5.5 of the Master Resolution in the amount(s), to the person(s) and for the purpose(s) set forth in this requisition (the "Requisition"). The terms used in this requisition shall have the meaning given to those terms in the Master Resolution of West Valley City, Utah (the "Master Resolution"), dated as of June 1, 2015, securing the above referenced Bonds.

1. REQUISITION NO.:

2. PAYMENT DUE TO:

3. AMOUNT TO BE DISBURSED: \$

4. The undersigned, on behalf of Hunt 1920 LLC, a Utah limited liability company (the "Borrower"), certifies that:

(a) the expenditures for which moneys are requisitioned by this Requisition represent proper charges against the Cost of Issuance Fund, have not been included in any previous requisition and are set forth in the Schedule attached to this Requisition, with invoices attached for any sums for which reimbursement is requested; and

(b) the moneys requisitioned are not greater than those necessary to meet obligations due and payable or to reimburse the applicable party for funds actually advanced for Costs of Issuance.

5. Attached to this Requisition is a Schedule, together with copies of invoices covering all items for which payment is being requested.

Date of Requisition: \_\_\_\_\_

HUNT 1920 LLC, a Utah limited liability company

By:\_\_\_\_\_

Name:\_\_\_\_\_

Its:\_\_\_\_\_

EXHIBIT C

FORM OF REQUISITION

Re: West Valley City, Utah Assessment Bonds (Hunt 1920 LLC C-PACE 2015-1), Series 2015, in the sum of \$ \_\_\_\_\_

West Valley City, Utah  
3600 Constitution Blvd.  
West Valley City, Utah 84119

You are hereby authorized to disburse from the Construction Fund with regard to the above-referenced bond issue the following:

REQUISITION NUMBER: \_\_\_\_\_

NAME AND ADDRESS OF PAYEE:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

AMOUNT: \$ \_\_\_\_\_

PURPOSE FOR WHICH EXPENSE HAS BEEN INCURRED: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Each obligation, item of cost, or expense mentioned herein has been properly incurred, is a proper charge against the Construction Fund based upon audited, itemized claims substantiated in support thereof, and has not been the basis for a previous withdrawal.

DATED:\_\_\_\_\_

HUNT 1920 LLC

By:\_\_\_\_\_

Its:\_\_\_\_\_

APPROVED BY:

\_\_\_\_\_,  
as Bondholder Representative

By:\_\_\_\_\_

Its:\_\_\_\_\_